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# PROMOTION OF THE MOTION PICTURES INDUSTRY ACT

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Wholly Amended by Act No. 5929, Feb. 8, 1999

Amended by Act No. 6186, Jan. 21, 2000

Act No. 6632, Jan. 26, 2002

## CHAPTER I GENERAL PROVISIONS

### Article 1 (Purpose)

The purpose of this Act is to enhance the cultural life of the people and promote the national culture by upgrading the film art qualitatively and developing the film industry.

### Article 2 (Definitions)

For the purpose of this Act, the definitions of terms shall be as follows: *(Amended by Act No. 6632, Jan. 26, 2002)*

1. The term “motion picture” means sound or silent objects whose successive pictures are contained in the medium such as films and disks, etc. for the purpose of screening movies;

2. The term “film industry” means the industry engaged in producing, utilizing, distributing, disseminating, exporting and importing movies;
3. The term “Korean movies” means the movies produced by those (including juristic persons) who have their main movie-making establishments in Korea, and other movies produced jointly by domestic and foreign movie makers, and then recognized under Article 5 (2) as Korean movies by the Korean Film Commission (hereinafter referred to as the “Korean Film Commission” ) established under Article 7;
4. The term “foreign movies” means the movies produced by those (including juristic persons) who have their main movie-making establishments in foreign countries;
5. The term “jointly produced movies” means the movies produced jointly by domestic and foreign movie makers;
6. Deleted; *(by Act No. 6632, Jan. 26, 2002)*
7. The term “animated movies” means the movie produced by fictionalizing a real world or an imaginary world, and by manifesting through a utilization of manpower or technological capability to make viewers feel a dynamic sense similar to the reality;
8. The term “short movies” means the movie with the running time of not exceeding 40 minutes, regardless of the size of films;
9. The term “miniature movies” means the movie produced by using the films of 16 mm or smaller;
10. The term “screening” means the act of presenting motion pictures for public viewing on screen;
11. The term “movie enterprisers” means persons with the profit-making purposes who fall under any of the following items:
  - (a) Movie makers: Person who runs the business of making movies;
  - (b) Movie importers: Person who runs the business of importing movies;

- (c) Movie distributors: Person who runs the business of distributing movies; and
  - (d) Movie screeners: Person who runs the business of showing movies;
12. The term “movie professionals” means such persons as directors, performers, shooting and lighting technicians, script writers, musicians, artists and planners, etc.;
13. The term “movie theater” means the place or establishment where films are screened for the purpose of making profits: *Provided*, That any place and any establishment where movies are screened within the limited number of days as prescribed by the Presidential Decree shall be excluded (hereinafter referred to as “non-permanent movie theater” );
14. The term “exclusive movie theater” means the movie theater where the movie falling under each of the following subparagraphs is screened for not less than 3/5 of annual movie-running days from among movie theaters;
- (a) Korean movies or artistic movies recognized by the Korea Film Commission established pursuant to Article 7;
  - (b) Animated movies, miniature movies and short movies; and
  - (c) Juvenile movies (referring to the movies falling under Article 21 (3) 1 through 3);
15. The term “restricted movie theater” means the movie theater where only the movies falling under Article 21 (3) 5 are screened from among movie theaters; and
16. The term “operator of movie theater” means the person who establishes and runs the movie theater.

Article 3 (Basic Plans for Promoting Movies, and Plans for Implementation Thereof)

- (1) The Minister of Culture and Tourism shall formulate and implement a basic plan for promoting movies and an implementation plan in order to enhance the movie culture and develop the movie industry, upon hearing the opinions of the Korea Film Commission and the Korea Film Archive established pursuant to Article 24–3. *(Amended by Act No. 6632, Jan. 26, 2002)*

(2) The basic plan for promoting movies under paragraph (1) shall contain matters falling under each of the following subparagraphs: *(Amended by Act No. 6632, Jan. 26, 2002)*

1. Basic direction for promoting Korean movies;
2. Matters related to surveys, researches, expansion of the movie-making infrastructure and technological development, etc.;
3. Matters related to surveys, research and development for a promotion of movie distribution systems;
4. Matters related to the exports and overseas advance of Korean movies;
5. Matters related to gathering and preserving film materials;
6. Matters related to fostering the movie professionals;
7. Matters related to securing financial resources necessary to consolidate the financial basis for the promotion of movies, and devising ways to efficiently manage the said resources;
8. Matters related to the international exchange and cooperation in the field of movies; and
9. Other matters related to promoting the movie arts.

## CHAPTER II PRODUCTION AND

### IMPORT OF MOVIES

Article 4 (Report, etc. of Movie Enterprisers)

- (1) A person who intends to become a movie enterpriser shall report his business to the Minister of Culture and Tourism. The same shall also apply to the case where he intends to alter the reported matters.
- (2) Matters necessary for the report, altered report and delivery of report certificates under paragraph (1) shall be prescribed by the Presidential Decree.

Article 5 (Report on Producing Jointly Produced Movies)

(1) A person who intends to jointly produce movies shall make a report thereon to the Minister of Culture and Tourism, with satisfying the requirements as determined by the Presidential Decree: *Provided*, That the same shall not apply to the case where he intends to import foreign movies, notwithstanding the recognition as Korean movies by the Korean Film Commission.

(2) The Korean Film Commission may decide whether the jointly produced movies may be recognized as Korean movies under the conditions as determined by the rules of the Korean Film Commission, upon the completion of their production, in the light of the relevant themes, aspects and national characteristics.

(3) Matters necessary for the report, etc. under paragraph (1) shall be prescribed by the Presidential Decree.

Article 6 (Recommendations for Import of Foreign Movies)

A movie importer shall, when he intends to import foreign movies, obtain a recommendation for import from the Korea Media Rating Board under the Sound Records, Video Products and Game Software Act (hereinafter referred to as the "Korea Media Rating Board" ) with respect to the relevant foreign movies. *(Amended by Act No. 6632, Jan. 26, 2002)*

Article 6-2 (Supply and Distribution of Movies)

(1) When any movie enterpriser supplies movies to other movie enterpriser, the former shall supply the latter with such movies at fair and rational market prices without discrimination.

(2) The Minister of Culture and Tourism shall, when he makes a judgment that the distribution order of movies is in violation of the Monopoly Regulation and Fair Trade Act, notify the Fair Trade Commission of the fact.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

## CHAPTER III KOREAN FILM COMMISSION

### Article 7 (Establishment)

The Korean Film Commission (hereinafter referred to as the “Commission” ) shall be established under the jurisdiction of the Ministry of Culture and Tourism in order to devise a qualitative enhancement of movies and to promote Korean movies and the film industry.

### Article 7-2 (Corporate Personality)

The Commission shall be a juristic person.

*[This Article Newly Inserted by Act No. 6186, Jan. 21, 2000]*

### Article 7-3 (Articles of Association)

Matters falling under each of the following subparagraphs shall be entered in the articles of association of the Commission:

1. Objective;
2. Name;
3. Matters relating to the principal office;
4. Matters relating to the members (the Commission members shall be deemed directors);
5. Matters relating to the property and accounting;
6. Matters relating to the organization and operation of the secretariat; and
7. Matters relating to the alteration in the articles of association.

*[This Article Newly Inserted by Act No. 6186, Jan. 21, 2000]*

### Article 7-4 (Registration)

- (1) The Commission shall be deemed to be established by registering its establishment at the location of its principal office.

(2) Matters necessary for the contents, etc. of the Commission's registration shall be prescribed by the Presidential Decree.

*[This Article Newly Inserted by Act No. 6186, Jan. 21, 2000]*

#### Article 8 (Composition of Commission)

(1) The Commission shall consist of not more than 9 members commissioned by the Minister of Culture and Tourism from among the persons of high moral repute with ample expertise and experiences in the movie arts and the film industry, etc. *(Amended by Act No. 6186, Jan. 21, 2000; Act No. 6632, Jan. 26, 2002)*

(2) Methods and procedures for composing the Commission shall be prescribed by the Presidential Decree.

#### Article 9 (Chairman, etc.)

(1) The Commission shall have one chairman and one vice chairman.

(2) The chairman and vice chairman shall be elected by the members from among them.

(3) The chairman shall represent the Commission, and exercise overall control over the Commission's affairs.

(4) If the chairman is unable to perform his duties due to unavoidable reasons, the vice chairman shall act on behalf of the chairman, and if both the chairman and the vice chairman are unable to perform their duties, a member named in order of seniority shall act on behalf of them.

(5) Members other than the chairman shall be non-permanent. *(Amended by Act No. 6632, Jan. 26, 2002)*

#### Article 10 (Terms of Office for Members)

(1) The terms of office for the members shall be 3 years and the terms of office for the chairman and vice chairman shall be the same as those for the members. *(Amended by Act No. 6632, Jan. 26, 2002)*

(2) When a member's position falls vacant, the Minister of Culture and Tourism shall commission a substitute member within 30 days from the date of such a vacancy, and the term of office for a substitute member shall be the remainder of his predecessor's.

(3) The members including the chairman whose terms of office have expired shall perform their duties until their successors are commissioned under Article 8.

#### Article 11 (Treatment of Members, and Prohibition of Holding Concurrent Offices)

(1) A permanent member from among the members shall be remunerated, and the nonpermanent members shall be honorary, but the actual expenses such as those required for performing their duties may be reimbursed as prescribed by the rules of the Commission.

(2) A permanent member shall be prohibited from concurrently holding additional offices with the profit making purposes, except as prescribed by the rules of the Commission.

#### Article 12 (Disqualification for Members)

A person falling under any of the following subparagraphs shall be disqualified for a member of the Commission:

1. A public official (excluding an educational public official and a judicial officer);
2. A member of a political party under the Political Parties Act;
3. A person falling under any of the subparagraphs of Article 33 of the State Public Officials Act; and
4. Other persons as prescribed by the Presidential Decree.

#### Article 13 (Occupational Independence for Members, and Guarantee of Status)

(1) The members shall be free from any instructions or interventions while performing their duties during the term of office.

(2) The members shall not be dismissed against their will, except for the cases falling under each of the following subparagraphs:

1. Where he or she falls under disqualification reasons under Article 12; and



2. Where he or she becomes unable to perform the duties due to a long-standing physical or mental troubles.

Article 14 (Commission's Duties, etc.)

(1) The Commission shall deliberate and resolve on matters falling under each of the following subparagraphs: *(Amended by Act No. 6186, Jan. 21, 2000; Act No. 6632, Jan. 26, 2002)*

1. Matters related to presenting views on the formulation and alteration of basic plans, etc. for the promotion of movies;
2. Matters related to the formulation and implementation of plans for the Commission operation;
3. Matters related to instituting, amending and abrogating the articles of association and the rules of the Commission;
4. Matters related to managing and operating the facilities related to the production of films;
5. Matters related to recognizing the jointly produced movies as Korean movies;
6. Matters related to managing and operating the Motion Picture Promotion Fund under Article 33;
7. Matters related to the survey, research, education and training for promoting Korean movies and fostering the film industry;
8. Matters related to distributing movies;
9. Matters related to overseas advance of Korean movies and international exchanges;
10. Matters related to the development of artistic movies, animated movies, miniature movies and short movies;
11. Matters related to implementing a system obliging local movie theaters to screen Korean movies;
12. Matters related to dissatisfactions and petitions of moviegoers; and
13. Other matters deemed necessary by the Commission.

(2) The Commission may request the movie enterprisers, etc. to submit the data necessary for verifying whether they abide by the matters of deliberations and resolutions made under paragraph (1).

Article 15 (Quorum for Resolution)

The Commission shall resolve with the attendance of a majority of its registered members and with a concurrent vote of a majority of those present: *Provided*, That the Commission shall resolve on matters as prescribed in Article 14 (1) 3 with a concurrent vote of a majority of the registered members.

Article 16 (Meetings Open to Public)

(1) Meetings of the Commission shall be made open to the public as pre- scribed by its rules: *Provided*, That the same shall not apply to the case where the Commission has resolved otherwise if deemed necessary.

(2) The Commission shall prepare the minutes as prescribed by its rules.

Article 17 (Sub-Commissions, etc.)

(1) The Commission may, when deemed necessary to perform its duties under Article 14 (1), compose and operate sub-commissions and a con-sultative coordination council, etc., and matters necessary to compose and operate them shall be prescribed by the Commission' s rules.

(2) The Commission may establish and operate a research institution, etc. in order to perform the duties under Article 14 (1) 7, and matters necessary for the establishment and operation thereof shall be prescribed by the Commission' s rules.

Article 17-2 (Compilation of Budget, etc.)

(1) The Commission shall obtain an approval of the Minister of Culture and Tourism for the basic direction and scale for the compilation of annual budget under the conditions as prescribed by the Presidential Decree.

(2) The Minister of Culture and Tourism may request the Commission to furnish the data necessary for the business plans, budget and the settlement of accounts of the Commission.

*[This Article Newly Inserted by Act No. 6186, Jan. 21, 2000]*

Article 17-3 (Auditor)

(1) The Commission shall have one auditor in order to audit matters relating to its business and accounting.

(2) The Minister of Culture and Tourism shall, on the recommendation of the chairman of the Commission, appoint and dismiss the auditor, and such auditor shall be nonpermanent.

(3) The term of office for the auditor shall be three years.

*[This Article Newly Inserted by Act No. 6186, Jan. 21, 2000]*

Article 18 (Secretariat)

(1) The Commission shall have a secretariat in order to assist in the handling of the Commission's affairs.

(2) The secretariat shall have one director, and the chairman shall appoint him by obtaining a consent from the Commission.

(3) Deleted. *(by Act No. 6186, Jan. 21, 2000)*

Article 19 (Formulating and Amending Commission's Rules, etc.)

The Commission shall, when it intends to formulate or amend its rules, announce thereof not less than 20 days in advance, and if necessary, the Commission may publish it by printing in the Official Gazette.

Article 20 (Assistance)

Expenses necessary to operate the Commission may be assisted by the National Treasury.

## CHAPTER IV FILM RATING AND SUBMISSION OF MOVIE FILMS, ETC.

Article 21 (Film Rating)

(1) Movies (including the trailers and advertising movies) shall be rated by the Korea Media Rating Board before they are shown: *Provided*, That the same shall not apply to the movie falling under any of the following subparagraphs:

1. Miniature movies and short movies designed to be shown free of charge to specific people at the age of 18 or more;
2. Movies to be shown in the film festivals recommended by the Commission;
3. Movies produced and shown by organizations, etc. recommended by the Commission; and
4. Other movies recognized by the Minister of Culture and Tourism as not needed any rating.

(2) Movies which have not been rated under paragraph (1), shall not be shown.

(3) Rating of movies under paragraph (1) shall be as follows: *Provided*, That all movies such as trailers and advertising films that are shown before principal movies are screened shall be rated only when they fall under subparagraph 1: *(Amended by Act No. 6186, Jan. 21, 2000; Act No. 6632, Jan. 26, 2002)*

1. "Viewing permitted for all moviegoers" : The movie that the people of all ages are permitted to view;
2. "Viewing permitted for 12-year-old moviegoers" : The movie that people aged below 12 are not permitted to view;
3. "Viewing permitted for 15-year-old moviegoers" : The movie that people aged below 15 are not permitted to view;
4. "Viewing permitted for 18-year-old moviegoers" : The movie that people aged below 18 (hereinafter referred to as the "minors" ) are not permitted to view; and
5. "Restricted movie" : The movie that needs to be restricted to a certain extent in its screening, advertisements and publicity.

(4) In case of any movie that falls under the film rating provided for in paragraph (3) 2 though 4, any person whose age has yet to turn to be permitted to view such movie shall not be admitted to any movie theater to view the movie. In case of the movie falling under the film

rating provided for in subparagraph 4 of the same paragraph, any high-school student under Article 2 of the Elementary and Secondary Education Act shall not be admitted to any movie theater to view such movie: *Provided*, That the same shall not apply to a case where any high-school student, accompanied by his parents or protectors, is admitted to any movie theater to view the movie falling under the film rating provided for in paragraph (3) 2 and 3. *(Amended by Act No. 6632, Jan. 26, 2002)*

(5) In case of the movie falling under the film rating provided for in paragraph (3) 5, any juvenile under the Juvenile Protection Act and any high-school student under Article 2 of the Elementary and Secondary Education Act shall not be admitted to any movie theater to view such movie. *(Amended by Act No. 6632, Jan. 26, 2002)*

(6) No person shall alter a rating classified under paragraph (1), or show a movie with the contents different from the rated ones.

(7) Necessary matters concerning procedures for and methods of making the film rating under paragraph (1) and specific standards for the film rating, etc. under paragraph (3) shall be prescribed by the rules of the Korea Media Rating Board. *(Amended by Act No. 6632, Jan. 26, 2002)*

#### Article 22 (Rules on Movie Rating)

(1) The Korea Media Rating Board shall make rules (hereinafter referred to as the “rating rules” ) on rating the movies to be shown under Article 21, and publicly announce them.

(2) The rating rules under paragraph (1) shall contain matters falling under each of the following subparagraphs:

1. Matters related to maintaining the basic democratic order of the Constitution, and to respecting human rights;
2. Matters related to maintaining the sound home life, and to protecting children and juveniles;
3. Matters related to advancing public morality and social ethics; and

4. Matters related to the standards, etc. for classifying and rating the movies to be screened.

Article 23 (Review)

(1) A movie enterpriser who has objections to the rating of his movies under Article 21 (1) may, within 30 days from the day when they have been rated, ask the Korea Media Rating Board to review the rating.

(2) The Korea Media Rating Board shall, upon receipt of a request for review, make the review within 15 days, and disclose the contents of such review to the party concerned or his agent.

(3) Matters necessary for the procedures for review shall be pre-scribed by the rules of the Korea Media Rating Board.

Article 24 (Restrictions on Distribution and Display of Advertising Materials)

(1) A person who intends to distribute or display the advertisements or publicity materials related to movies shall obtain a verification on whether they are harmful to the minors from the Korea Media Rating Board before the relevant distribution or display, under the conditions as prescribed by the rules of the Korea Media Rating Board: *Provided*, That the same shall not apply to any movie that is rated a “restricted movie” under Article 21 (3) 5 (hereinafter referred to as “restricted movie” ). *(Amended by Act No. 6186, Jan. 21, 2000; Act No. 6632, Jan. 26, 2002)*

(2) Advertisements or publicity materials verified by the Korea Media Rating Board as harmful to minors under paragraph (1) shall not be distributed or displayed.

(3) Matters necessary for a verification by the Korea Media Rating Board on whether harmful to minors under paragraph (1) shall be prescribed by the rules of the Korea Media Rating Board.

Article 24-2 (Limits on Restricted Movie's Advertisement and Publicity)

The advertisement and publicity of any restricted movie shall be made only in posters put up in the interior walls of any restricted movie theater. In this case, such

posters shall be put up in a manner that they cannot be seen from outside such restricted movie theater.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 24-3 (Establishment of Korea Film Archive)

(1) The Korea Film Archive (hereinafter referred to as the "Archive" ) shall be established under the Ministry of Culture and Tourism to collect, store and display film materials and documents related to film and to facilitate the artistic, historical and educational development of movies.

(2) The Archive shall be a corporation.

(3) The Archive shall have necessary officers and employees as prescribed by its articles of association.

(4) The provisions governing corporation aggregate of the Civil Act shall apply *mutatis mutandis* to the Archive except as otherwise provided for in this Act.

(5) Expenses necessary to operate the Archive may be provided from the National Treasury.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 25 (Submission of Movie Films, etc.)

(1) Movie enterprisers shall, when they obtain the rating of their movies under Article 21 (1), submit an original film or a copy thereof (hereinafter referred to as the "movie films" ) and a script to the Archive under the conditions as prescribed by the Presidential Decree, for the preservation of movie materials. Miniature or short movies may be submitted to the Archive for the preservation of movie materials. Any movie falling under each of Article 21 (1) may be furnished to the Archive for the preservation of such movie materials. *(Amended by Act No. 6632, Jan. 26, 2002)*

(2) The Archive shall, to those who submit the movie films and their scripts under paragraph (1), promptly issue a certificate of such submission, and compensate them fairly under the conditions as prescribed by the Presidential Decree: *Provided*, That financial

resources necessary to compensate for the movie films and their scripts shall be borne by the National Treasury. *(Amended by Act No. 6632, Jan. 26, 2002)*

## CHAPTER V SCREENING OF MOVIES

### Article 26 (Registration of Movie Theater)

(1) Any person who intends to open and operate a movie theater shall get such movie theater registered with the head of *Si/Gun/Gu* (referring to the head of autonomous *Gu*, hereafter the same shall apply) having jurisdiction over a place where such movie theater is to be opened after equipping the movie theater with facilities prescribed by the Ordinance of the Ministry of Culture and Tourism. The same shall apply to a case where he intends to alter registered matters.

(2) The Minister of Culture and Tourism may designate and publish any place or any establishment on or in which the opening of any restricted movie theater is restricted under the conditions as prescribed by the Presidential Decree.

(3) ~~Necessary matters concerning procedures for the registration of movie theaters and the alteration of such registration, and the delivery of registration certificates and other matters necessary for registration~~ shall be prescribed by the Presidential Decree.

*[This Article Wholly Amended by Act No. 6632, Jan. 26, 2002]*

### Article 26-2 (Safety Precautions against Disasters)

(1) The operator of every movie theater shall draw up a safety-precaution plan that includes the duties of safety precaution performed by employees working for his movie theater and their disposition plan, etc. in the event of any disaster and make a report thereof to the head of jurisdictional firehouse.

(2) Other necessary matters concerning the safety precautions of movie theaters shall be prescribed by the Presidential Decree.



*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 27 (Assistance to Exclusive Movie Theaters, etc.)

- (1) The Minister of Culture and Tourism may assist in establishing and operating exclusive movie theaters in order to protect children and juveniles, and proliferate the movie art.
- (2) Matters necessary for the standards for operation of and assistance to the exclusive movie theaters shall be prescribed by the Presidential Decree.

Article 28 (Mandatory Screening of Korean Movies)

Operators of movie theaters shall screen Korean movies for not less than the annual running days as prescribed by the Presidential Decree. *⟨Amended by Act No. 6632, Jan. 26, 2002⟩*

Article 28-2 (Report of Movie Screening)

- (1) The operator of any movie theater (including the operator of any non-permanent movie theater), who intends to screen any movie (excluding any movie provided for in each subparagraph of Article 21 (1)), shall file a report with the head of *Si/Gun/Gu* on the title and running hours of such movie, etc. The same shall apply to a case where he suspends or resumes the screening of the relevant movie, or reduces or extends the running hours of the movie.
- (2) Necessary matters concerning the screening report, etc. of paragraph (1) shall be prescribed by the Presidential Decree.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 29 (Restrictions on Screening of Movies)

The head of *Si/Gun/Gu* shall prohibit or suspend a screening of the movie falling under each of the following subparagraphs: *⟨Amended by Act No. 6632, Jan. 26, 2002⟩*

1. Movies not rated for showing;
2. Movies rated for showing by deceitful means;
3. Movies shown by altering or violating their rating;
4. Movies shown with contents different from their rating;

5.Trailers and advertising movies that are not rated under Article 21 (3) 1; and

6.Other movie whose screening report under 28-2 is not filed.

Article 29-2 (Limits on Screening and Distribution of Restricted Movie)

(1) No one shall screen any restricted movie in a place that is not a re- stricted movie theater.

(2) No one shall make any movie that is the same as any restricted movie into other visual products, including videos, etc. and screen, sell, trans- mit, rent or offer such visual products, etc. for the purpose of viewing them.

(3) Every restricted movie theater shall be prohibited from screening movies specified in Article 21 (3) 1 through 4.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 30 (Projectionist)

The operators of movie theaters shall get any projectionists who have obtained the qual- ifications for movie projection under the conditions as prescribed by the Presidential Decree to screen the relevant movies: *Provided*, That the same shall not apply to the movies, including short movies, prescribed by the Presidential Decree. *⟨Amended by Act No. 6632, Jan. 26, 2002⟩*

Article 31 (Business Suspension against Movie Theaters, etc.)

(1) The head of *Si/Gun/Gu* shall, in case that the running days of Korean movies shown in a movie theater fall short of the standard running days under Article 28, order the relevant theater to suspend its business with fixing a period of not more than 3 months, under the conditions as prescribed by the Presidential Decree. *⟨Amended by Act No. 6632, Jan. 26, 2002⟩*

(2) The head of *Si/Gun/Gu* may, in case that any restricted movie theater has performed advertisements and publicity in violation of Article 24-2 or any movie theater has failed to comply with the disposition of prohi- bition or suspension of screening under Article 29, order such movie theater or such restricted movie theater to suspend its

business for a fixed period of not more than 3 months under the conditions as prescribed by the Presidential Decree. *(Amended by Act No. 6632, Jan. 26, 2002)*

Article 31-2 (Cancellation of Registration of Restricted Movie Theater)

(1) ~~The head of Si/Gun/Gu shall, in case that any restricted movie theater~~ falls under each of the following subparagraphs, cancel its registration:

1. Where it has got itself registered in a false and illegal manner;
2. Where it has admitted any juvenile or any high-school student to the restricted movie theater; and
3. ~~Where it has been subjected to the business suspension not less than~~ three times a year.

(2) The head of *Si/Gun/Gu* shall, when he intends to suspend the business in accordance with paragraph (1), hold a hearing thereon.

(3) Any person who is subjected to the cancellation of registration under paragraph (1) shall be prohibited from getting his restricted movie theater registered in the same area within 3 years from the date of cancellation of his registration.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 31-3 (Succession of Business, etc.)

(1) When the operator of any movie theater transfers his business or dies or a corporation merger involving such movie theater takes place, the transferee thereof, the successor thereof, a surviving corporation in the wake of the merger or a corporation incorporated by the merger shall succeed the status of the operator of such movie theater.

(2) In the event that the operator of any movie theater is subjected to an administrative disposition taken in accordance with Articles 31 and 31-2, the effect of such administrative disposition shall be succeeded by the successor thereof and when the proceeding of such administrative disposition is in progress, such

proceeding may continue against the suc- cessor. *Provided*, That the same shall not apply to a case where the suc- cessor proves that he was not aware of such administrative disposition or any violation at the time that he acquired the movie theater by trans- fer or the merger took place.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 32 (Support for Overseeing Activities by Civic Groups)

(1) The Commission may, in case where there exist any voluntary over- seeing activities by civic groups to protect the right and interest of mov- ie goers in connection with the movie screening and the operation of ex- clusive movie theaters, etc., grant the required supports.

(2) Matters necessary for the supports, etc. under paragraph (1) shall be determined by the rules of the Commission.

## CHAPTER VI MOVIE PROMOTION FUND

Article 33 (Establishment, etc. of Fund)

(1) The Movie Promotion Fund (hereinafter referred to as the “Fund” ) shall be established in order to improve the movie art qualitatively and to promote Korean movies and the film industry.

(2) The Fund shall be managed and operated by the Commission, and separately administered as an independent account.

(3) Matters necessary for the management and operation of the Fund shall be determined by the rules of the Commission.

Article 34 (Raising of Fund)

The Fund shall be raised from financial resources falling under each of the following subparagraphs:

1. Donations from the Cultural Industry Promotion Fund under Article 33 of the Framework Act on the Cultural Industry Promotion;
2. Donations from the Culture and Arts Promotion Fund under Article 17 of the Culture and Arts Promotion Act; and
3. Other revenues, etc.

Article 35 (Use of Fund)

(1) The Fund shall be used for the projects falling under each of the following subparagraphs: *(Amended by Act No. 6632, Jan. 26, 2002)*

1. Assistance to the promotion of creation and production of Korean movies;
2. Assistance to the export and international exchange of Korean movies;
3. Assistance to the production of miniature or short films;
4. Assistance in repairing, maintaining and renovating the facilities of movie theaters;
5. Assistance to the projects of movie-related organizations and civic groups which are recognized by the Commission; and
6. Other projects which are resolved by the Commission as necessary.

(2) The amount of the Fund spendable for the project under paragraph (1) 6 shall not exceed 15/100 of the annual spending of the Fund.

## CHAPTER VII SUPPLEMENTARY PROVISIONS

Article 36 (Delegation and Commission of Authority)

Part of the authority of the Minister of Culture and Tourism under this Act may be delegated to heads of local governments under the conditions as prescribed by the Presidential Decree and the authority of the Commission may be commissioned to institutions or organizations established for the purpose of promoting the film culture and the film industry.

Article 37 (Legal Fiction as Public Officials in Applying Penal Provisions)

Members of the Commission, staff of the secretariat and other persons commissioned with the authority under the provisions of Article 36 shall be deemed public officials in applying the Criminal Act and penal provisions of other Acts.

Article 38 (Penalty Surcharge)

(1) The Minister of Culture and Tourism and the head of *Si/Gun/Gu* may order any person who falls under each subparagraph of Articles 39–2 and 40 to pay a penalty surcharge not exceeding 20 million won under the conditions as prescribed by the Presidential Decree. *(Amended by Act No. 6632, Jan. 26, 2002)*

(2) The amount of penalty surcharge referred to in paragraph (1) and other necessary matters shall be prescribed by the Presidential Decree.

(3) When any person liable to pay the penalty surcharge under paragraph (1) fails to pay such penalty surcharge by the fixed payment time limit, such penalty surcharge in question shall be collected according to the example of a disposition taken to collect national or local taxes in arrears. *(Amended by Act No. 6632, Jan. 26, 2002)*

(4) The amount of penalty surcharge collected under paragraph (3) shall be used by the collector, only for purposes falling under each of the following subparagraphs:

1. Production, dissemination and screening of creative movies; and
2. Management of exclusive movie theaters and their environmental improvement.

Article 39 (Fees)

(1) In making an application or report under this Act, which falls under each of the following subparagraphs, the fees shall be paid under the conditions as prescribed by the Presidential Decree: *(Amended by Act No. 6632, Jan. 26, 2002)*

1. Reports and alteration reports by movie enterprisers under Article 4 (1);
2. Application filed for a reissuance of report certificates under Article 4 (2);
3. Reports on a production of jointly produced movies under Article 5 (1); and
4. Application filed for registration or the alteration registration under Article 26.

(2) In making an application or request under this Act, which falls under each of the following subparagraphs, the fees as determined by the Korea Media Rating Board with an approval of the Minister of Culture and Tourism shall be paid:

1. Application for a recommendation for import of foreign movies under Article 6;
2. Application for film rating under Article 21;
3. Request for review under Article 23; and
4. Application for a verification on whether the advertisements or publicity materials are harmful to the minors under Article 24.

## CHAPTER VIII PENAL PROVISIONS

### Article 39-2 (Penal Provisions)

Any person falling under each of the following subparagraphs shall be punished by imprisonment for not more than 3 years or by a fine not exceeding 30 million won:

1. Person who has screened a movie whose film rating had not been made in violation of Article 21 (2);
2. Person who has admitted any juvenile or any high-school student to his movie theater to allow him to view a restricted movie in violation of Article 21 (5); and
3. Person who has screened any restricted movie in a place that is not a restricted movie theater, made such restricted movie into other visual products or screened, transmitted, rented or offered such visual products for viewing in violation of Article 29-2 (1) and (2).

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

### Article 40 (Penal Provisions)

A person falling under any of the following subparagraphs shall be punished by imprisonment for not more than 2 years or a fine not exceeding 20 million won: *(Amended by Act No. 6632, Jan. 26, 2002)*

1. Person who has imported foreign movies without obtaining import recommendations under Article 6;
2. Person who has screened movies in violation of Article 21 (6);
- 2-2. Person who has performed advertisements and publicity for any restricted movie in violation of Article 24-2;
- 2-3. Person who has screened the movies provided for in Article 21 (3) 1 through 4 in a restricted movie theater in violation of Article 29-2 (3); and
3. Person who has failed to execute an order given to suspend his business in violation of Article 31.

Article 40-2 (Joint Penal Provisions)

If the representative of a corporation, or the agent, the employed or any other employee of a corporation or individual commits an act of violating Article 39-2 or Article 40 in connection with the business of such corporation or such individual, the corporation and the individual shall be fined under the respective Articles in addition to the punishment of the actor.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

Article 41 (Fine for Negligence)

(1) Any person falling under each of the following subparagraphs shall be punished by a fine for negligence not exceeding 50 million won:

1. Person who has admitted any person who is prohibited from viewing a movie falling under the film rating provided for in Article 21 (3) 2 through 4 to his movie theater to view such movie in violation of paragraph (4) of the same Article;



2. Person who has distributed or put up advertisement and publicity materials without confirming whether they are harmful to the minors under Article 24 (1); and

3. Person who has distributed or put up advertisement and publicity materials which are confirmed as harmful to the minors in violation of Article 24 (2).

(2) Any person falling under each of the following subparagraphs shall be punished by a fine for negligence not exceeding 10 million won:

1. Person who has made, imported and distributed a movie or run the business of screening such movie without filing a report thereof in accordance with Article 4 (1);

2. Person who has failed to meet his obligation to submit movie film and the script thereof under Article 25 (1);

3. Person who has opened and run a movie theater without getting such movie theater registered in violation of Article 26;

4. Person who has failed to make a report on the safety-precaution plan under Article 26-2 (1);

5. Person who has screened a movie without making a report thereof or made a false report thereof in violation of Article 28-2; and

6. Person who has allowed a person who has not obtained the projection-related qualifications to screen any movie.

*[This Article Wholly Amended by Act No. 6632, Jan. 26, 2002]*

#### Article 42 (Procedures for Imposing and Collecting Fine for Negligence)

(1) The fine for negligence provided for in Article 41 shall be imposed and collected by the Minister of Culture and Tourism or the head of *Si/Gun/Gu* (hereinafter referred to as “disposition agency” ) under the conditions as prescribed by the Presidential Decree.

(2) Any person who is dissatisfied with a disposition taken to impose a fine for negligence on him under paragraph (1) may raise an objection to the disposition agency within 30 days from the date on which he is notified of such disposition.

(3) When any person who is subjected to a disposition taken to impose a fine for negligence on him under paragraph (1) raises an objection thereto under paragraph (2), the disposition agency shall promptly notify the competent court of the fact and the competent court shall, upon receiving such notification, put the case on trial in accordance with the Non-Contentious Case Litigation Procedure Act.

(4) When any person fails to pay a fine for negligence without raising an objection thereto within the fixed period of 30 days under paragraph (2), such fine for negligence in question shall be collected according to the example of a disposition taken to collect national or local taxes in arrears.

*[This Article Newly Inserted by Act No. 6632, Jan. 26, 2002]*

## ADDENDA

### Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

### Article 2 (Establishment of Korean Film Commission)

(1) The Korean Film Commission under Article 7 shall be established within one month from the date of enforcing this Act.

(2) The previous Motion Picture Promotion Corporation shall perform by proxy the duties of the Commission until it is established.

### Article 3 (Succession of Rights, Duties and Properties)

The Commission shall make a general succession of all rights, duties and properties of the Motion Picture Promotion Corporation under the previous provisions of Article 20 from the date it is established.

Article 4 (Transitional Measures concerning Register and Reporter of Movie Business)

A movie enterpriser, who has already registered and reported as a movie enterpriser under the previous provisions of Article 4 (1) and (3) at the time of enforcing this Act, shall be deemed to have reported as a movie enterpriser under this Act.

Article 5 (Transitional Measures concerning Reporter on Production of Jointly Produced Movies)

A person, who has already reported a production of jointly produced movies under the previous provisions of Article 9 (1) at the time of enforcing this Act, shall be deemed to have reported a production of jointly produced movies under this Act.

Article 6 (Transitional Measures concerning Recommendation for Import of Foreign Movies)

Foreign movies whose import has been recommended by the Korean Association of Performing Arts Promotion under the previous provisions of Article 10 (1) at the time of enforcing this Act, shall be deemed to have been recommended by the Korea Media Rating Board under this Act.

Article 7 (Application Examples for Rating Movies)

The provisions of Article 21 (1) shall be applied to the first movies to be rated for showing after this Act is enforced.

Article 8 (Transitional Measures concerning Submitters of Movie Films, etc.)

A person who has submitted the movie films, etc. under the previous provisions of Article 14 (1) at the time of enforcing this Act, shall be deemed to have submitted the movie films, etc. under this Act.

Article 9 (Transitional Measures concerning Fund)

The Motion Picture Promotion Fund which has been established under the previous provisions at the time of enforcing this Act, shall be deemed to have been established under Article 33.

Article 10 (Transitional Measures concerning Penal Provisions)

The application of penal provisions to the acts violating the Promotion of the Motion Pictures Industry Act before the enforcement of this Act shall be governed by the previous provisions.

Article 11 (Relation with Other Acts and Subordinate Statutes)

In case where other Acts and subordinate statutes have cited the provisions of the Promotion of the Motion Pictures Industry Act at the time of enforcing this Act, and where there exist the corresponding provisions in this Act, they shall be deemed to have cited the provisions of this Act, in lieu of the previous provisions.

ADDENDA *(Act No. 6186, Jan. 21, 2000)*

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation: *Provided,* That the amendments to Articles 8(1) and 17-3 shall enter into force on the date of its promulgation, and the amendments to Article 3 of the Addenda shall apply from the date when the Korean Film Commission is established pursuant to Article 2 of the Addenda of the Promotion of the Motion Pictures Industry Act amended by Act No. 5929.

Article 2 (Registration of Establishment of Korean Film Commission, etc.)

The Korean Film Commission shall register without delay its establishment as a juristic person under the amendment to Article 7-4 after the enforcement of this Act, and when such registration is completed, shall be deemed to register its establishment under the previous provisions on the date when it is established, and generally inherit all rights, duties and property of the previous Motion Picture Promotion Corporation.

Article 3 (Dissolution, etc. of Motion Picture Promotion Corporation)

The previous Motion Picture Promotion Corporation shall be deemed to be dissolved simultaneously with the establishment of the Korean Film Commission under the provisions of Article 7, notwithstanding the provisions concerning the dissolution and liquidation of a juristic person in the Civil Act.

Article 4 Omitted.

ADDENDA *(Act No. 6632, Jan. 26, 2002)*

Article 1 (Enforcement Date)

This Act shall enter into force on May 11, 2002. ~~Provided, That the amended provisions of Articles 8 (1) and 9 (5) shall enter into force on May 28, 2002 and the amended provisions of Article 21 shall enter into force on the date of its promulgation.~~

Article 2 (Valid Term, etc.)

The amended provisions of Articles 24 (1) (proviso), 24-2, 29-2, sub- ~~paragraph 3 of 39-2 and subparagraph 2-2 of 40 shall be valid until April 30, 2007, but matters to be applied after May 1, 2007 shall be prescribed again prior to that date.~~

Article 3 (Registration of Establishment, etc.)

(1) The Korea Film Archive, a corporation aggregate, shall make the ar- ticles of association in accordance with this Act and obtain authorization thereof from the Minister of Culture and Tourism within 2 months after the enforcement of this Act.

(2) The Korea Film Archive, a corporation aggregate, shall, when it ob- tains the authorization referred to in paragraph (1), get its establish- ment registered as the Archive under this Act.

(3) The Korea Film Archive, a corporation aggregate, shall, when it com- pletes its establishment registration under paragraph (2), be deemed dissolved, notwithstanding the provisions concerning the dissolution and liquidation of any corporation of the Civil Act.

Article 4 (Succession of Rights, Obligations and Properties)

The Archive established pursuant to this Act shall succeed all rights, obligations and properties of the Korea Film Archive, a corporation ag- ~~gregate, on the date on which the Archive gets its establishment registered.~~

Article 5 (Transitional Measure concerning Officers and Employees at the time of Establishment of Archive)

The officers and employees of the Korea Film Archive, a corporation aggregate, at the time of enforcement of this Act shall be deemed the of- ficers and employees of the Archive established pursuant to this Act.

Article 6 (Application of Penal Provisions to Unlawful Act Committed During Valid Term)

The amended provisions of Articles 38 and subparagraph 2-2 of 40 shall be applied to any person who violates the amended provisions of Article 24-2 during the valid term provided for in Article 2 of the Addenda even after the lapse of such valid term.

Article 7 (Transitional Measure concerning Registration of Movie Theater and Report on Screening Movie)

Any person who has his business of operating a performance hall for screening movies registered or has his report filed on screening movies under the previous Public Performance Act at the time of enforcement of this Act shall be deemed that he gets his movie theater registered or his report filed on screening movies under this Act.

Article 8 (Transitional Measure concerning Penal Provisions)

The application of the penal provisions or any fine for negligence to any act committed prior to the enforcement of this Act shall be governed by the previous provisions.

Article 9 Omitted.